



February 6, 2020

Mr. Elva Campbell, Business Agent
Operating Engineers, AFL-CIO
Local 351
111 E. Coolidge St.
Borger, TX 79007-5425

Case Number: 420-6014775
LM Number: 041283

Dear Mr. Campbell:

This office has recently completed an audit of Operating Engineers Local 351 under the Compliance Audit Program (CAP) to determine your organization's compliance with the provisions of the Labor-Management Reporting and Disclosure Act of 1959 (LMRDA). As discussed during the exit interview with you on January 28, 2020, the following problem was disclosed during the CAP. The matters listed below are not an exhaustive list of all possible problem areas since the audit conducted was limited in scope.

Reporting Violation

The audit disclosed a violation of LMRDA Section 201(b), which requires labor organizations to file annual financial reports accurately disclosing their financial condition and operations. The Labor Organization Annual Report (Form LM-2) filed by Local 351 for the fiscal year ended August 31, 2017, was deficient in the following area:

Personal Use of Credit Cards

Local 351 reported repayments totaling \$1,694 for personal charges made by Business Manager Randy Griffin and Business Representative Ryan Griffin on the local union's credit cards as loans. The personal charges, and respective repayments, were erroneously reported on Schedule 2, Column C and Statement B, Receipts & Disbursements, line item 45, as repayment of loans made during the period. Personal charges on the union credit cards must be reported in Column G on Schedule 11, All Officers and Disbursements To Officers, and in Column G on Schedule 12, Disbursements to Employees, next to the officer and employee's name. The repayments must be reported on line item 48, Other Receipts.

Although the repayments were promptly repaid, OLMS does not recommend policies that allow personnel to make purchases with union credit cards because they may lead to misuse of union funds.

In as much as Local 351 has electronically submitted an amended report, correcting the aforementioned deficiency, OLMS will take no further enforcement action at this time regarding the above violation.

I want to extend my personal appreciation to Operating Engineers Local 351 for the cooperation and courtesy extended during this compliance audit. I strongly recommend that you make sure this letter and the compliance assistance materials provided to you are passed on to future officers. If we can provide any additional assistance, please do not hesitate to call.

Sincerely,



Investigator

cc: Jeffrey Buttermore, President
Bobby Blakenship, Vice President
David Kueser, Recording Secretary
Kurt Overton, Treasurer
Brad Hammond, Financial Secretary
Jason Kennemur, Auditor
Danny Searcy, Auditor
Brent Thomas, Auditor
Bruce Turner, Trustee
Brain Rawlins, Trustee
Jaime Alvarez, Trustee
Ken Blewett, Business Representative
Justin Bartlett, Business Representative
Juan DeLaTorre, Business Representative
Ryan Griffin, Business Representative
Randy Henry, Business Representative
Darryl Mabry, Business Representative